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# Valley Roofers & Waterproofers Joint Apprenticeship and Training Committee

## Audit Summary

### Department of Industrial Relations Division of Apprenticeship Standards

DAS No. 04-09028

May 16, 2007

### Background

The Valley Roofers & Waterproofers Joint Apprenticeship (JATC) program, DAS file number 04-09028, (hereafter "Program") was selected to be audited by DAS based upon the fact that the program's graduation rate was well below the fifty percent (50%) average graduation rate for the roofing trade. The audit was performed during March of 2007 and was conducted pursuant to California Labor Code §3073.1.

#### Valley Roofers & Water Proofers Program

	2001	2002	2003	2004	2005	2006 Thru Aug
Intake	27	23	0	88	84	38
Graduation	1	0	2	1	0	0

#### Graduation Rate (After 1<sup>st</sup> Year)

	2001	2002	2003	2004	2005	5 Yr Average
Roofing Industry	16.1%	12.6%	13.6%	13.9%	9.9%	13.0%
Valley Roofers	8.3%	3.7%	0	0	0	3.2%

Current Apprentices: 223Current Journeymen: Unknown

## **Findings and Recommendations**

As noted in the detailed report which follows, the audit disclosed many serious deficiencies that must be corrected in order to bring the program into compliance with the approved standards and legal requirements.

The program did not keep adequate records as required under the standards and under California State law. An examination of the program's apprentice files disclosed inadequate documentation for on-the-job training hours (OJT hours), class attendance (RSI hours), program advancement documentation, documentation regarding disciplinary action(s) and/or supporting documentation for verification of program completion.

The audit also found the program has been operating without an approved Local Education Agency (LEA).

Detailed findings and recommendations are included in the following report to assist the program with efforts to formulate and implement corrective actions. DAS audit procedures allow the sponsor to respond to the recommendations and their response will become a part of the formal report.

### **Immediate DAS Actions**

**Indenture of New Apprentices Suspended:** Given the number and severity of issues discovered during the audit DAS must suspend approving the indenture of new apprentices until the Program can demonstrate that critical recommendations have been implemented.

**Detailed Proof Required for Apprentice Graduations:** Given the lack of an approved LEA and general lack of record-keeping, DAS must require the Program to provide detailed proof that current apprentices proposed for graduation have actually attended class, completed all work processes as required and met all requirements for graduation.

DAS expects to be able to remove these restrictions once the Program has demonstrated that all recommendations have been implemented.

DAS assigned consultant will be available to advise the program throughout the corrections and a DAS supervisor will visit the program within the next 90 days to verify that all recommendations have been fully implemented. In the future in order to verify compliance with the audit recommendations, program standards and State law requirements, DAS will monitor the program and will be prepared to take all necessary actions to ensure continued compliance.

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## Audit Report

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### INTRODUCTION

The Valley Roofers & Waterproofers Joint Apprenticeship & Training Committee was audited pursuant to Section 3073.1 of the California Labor Code.

The audit began on March 19, 2007, and was completed in the month of March 2007. The auditor(s) met with key administrative personnel, examined records, observed administrative activities, conducted a walk-through of the training facility and visited various job sites in connection with the audit.

Based on these observations and audit activities, DAS assessed the adequacy of the program's compliance to its standards and the California State apprenticeship laws and regulations. DAS has found that this program failed to meet many apprenticeship requirements.

### BACKGROUND

A part-time coordinator and two un-paid volunteers who provide language-interpreting services conduct the daily operations, management and administrative functions. The program has no clerical staff.

The staff resources are primarily located at the apprenticeship program's headquarters located at 2840 El Centro Road Suite 117, Sacramento, CA, 95833. One of the un-paid volunteers operates out of the Manteca training location at the Carpenters Union Hall at 1180 N. Union Road, Manteca, CA 95336. In addition, the records for the apprentice's on-the-job training (OJT) hours are kept at the Roofers Union office located at 8400 Enterprise Way Suite 122, Oakland CA, 94621.

The program's joint apprenticeship committee currently consists of three representatives from labor and one representative for management. Under the program standards, the joint committee make-up requires equal representation between labor and management consisting of three representatives from each side.

The apprenticeship committee claims that the program funding is through a separate Apprentice Trust Fund that holds income from employer contributions and state prevailing wage training fund contributions. The program failed to respond to two written requests for further information regarding the program's reported hours for apprentices and journeymen. Lacking this information an estimate for verification of journeymen could not be completed.

Prior to the commencement of this audit, the program did not have a Local Education Agency (LEA), thus the program failed to qualify for related and supplemental instruction funds (a.k.a. "RSI Funds"). During the course of the audit, DAS arranged for the program to meet with a local LEA, Sacramento City Unified School District (Charles A. Jones Skills & Business Center). On March 15, 2007, the LEA issued the program a letter of intent to act as the program's LEA and to provide related and supplemental instruction and other services to the program.

Employers are "approved to train" when they have completed an Agreement to Train Apprentices (DAS-7). The program indicated that they dispatch to both union signatory employers and non-union employers who agree to abide by the program's standards, rules, regulations and policies.

The apprenticeship program allegedly provides a training program for the following occupation:

<u>NAME OF OCCUPATION</u>	<u>TERM OF APPRENTICESHIP</u>	<u>NUMBER OF APPRENTICES</u>
<b>Roofer</b>	<b>42 months*</b>	<b>226 (3-19-07)</b>

\* Program standards require 5,400 total OTJ hrs and a minimum of 144 RSI hrs per year

Related and Supplemental Instruction (RSI) is provided at the program's training centers located at Hester Roofing, 8120 35<sup>th</sup> Avenue P.O. Box 245390 Sacramento, CA. 95824, also at the Carpenters Union Hall conference room, 1180 N. Union Road Manteca, CA. 95336. The program did not keep comprehensive records of the apprentices' RSI hours. The program simply required apprentices to sign an attendance sheet to verify class attendance. The attendance sign-in sheets showed a maximum of eleven apprentices attending class at any one time. Further review of the attendance sheets showed that attendance by any one apprentice was not consistent and the program failed to take any action to require apprentices to attend classes as required by the program standards.

Upon acceptance into the program the apprentices are provided brief instructions regarding the recording of OJT hours. This has been a fairly recent addition to the program, for prior to June 2006 the program did not provide any such instruction to the apprentices. Records of the OJT hours were not kept by the apprentice, but rather calculated from the hours reported by employers to the union trust fund and no reconciliation took place.

The program does not provide new apprentices with any written information regarding the apprenticeship program or their employment. The new indentures are not provided copies of the rules and regulations, compensation rates, class schedules and/or class curriculum.

DAS found, during the walk-through tour of the training facility, that the program lacked adequate classroom supplies and storage for the program supplies and materials.

### **SCOPE AND FOCUS**

The principle objectives of the audit are to ensure that the program is complying with their standards, that all on-the-job training is performed by journeymen, that all related and supplemental instruction required by the apprenticeship standards is being provided, that all work processes in the apprenticeship standards are being covered, and that graduates have completed the apprenticeship programs' requirements.

The audit focused on reviewing records and activities that tend to support and substantiate the programs' efforts, practices, systems and capabilities to provide and deliver the on-the-job training and related and supplemental instruction. The audit reviews the programs' policies and procedures to determine if they support the programs' approved Apprenticeship Standards.

### **METHODOLOGY**

After an initial review of the programs' standards and records on file with the DAS was completed, the audit plan included the following steps:

- a) The program received notification at least 14 days in advance of our intent to audit
- b) preparing an entrance interview;
- c) organization of all other working papers necessary to conduct the audit;
- d) confirming the location where records are maintained;
- e) time and date of the meetings were set;
- f) work site visits were scheduled;
- g) schedule inspection of the training facility;
- h) review of the meeting minutes and other documentation.

## **AUDIT FINDINGS AND RECOMMENDATIONS**

### **1. STANDARDS:**

#### **Objective:**

To determine whether the programs are submitting periodic revisions to their standards and if standards are reasonably current.

#### **Findings:**

- The DAS review found that the standards were not current.
- There has not been a complete revision of the standards since March 14, 1991.

#### **Recommendation:**

- Establish a full committee that includes three members from labor and three members from management as required under the standards - Due within 30 Days.
- Submit a complete and current revision of the Committee Standards - Due within 90 Days.
- In the future, review and update standards as needed.

*Article IV (5) of the program's standards, Section 205 (f), 212 (a)(6) (7), (c)(2) (11) of the California Code of Regulations states that the program sponsor must submit revisions to its standards when necessary.*

### **2. RULES AND REGULATIONS:**

**Objective:** To determine if the programs have adequate rules and regulations, are implementing them as required, and provide a copy to the apprentices.

#### **Findings:**

The Committee does not have current rules and regulations specific to their program.

#### **Recommendation:**

- Develop and establish Rules & Regulations specific to the program - Due within 60 Days.
- Distribute the new rules and regulations to all apprentices and retain a signed copy in the apprentices' file - Due within 90 Days.
- Conduct an annual review of the rules and regulations.
- Enforce the provisions of the rules and regulations.

*Article VI (2) of the program's standards, Section 3071, 3073, and Section 212 (a)(6) (7), (c)(2)(3)(8), (14) of the California Code of Regulations states that the program must establish rules and regulations that govern the program.*

### 3. ACTIVE APPRENTICES AND CANCELLATIONS:

**Objective:** To determine if the program is monitoring apprentices as they enter and proceed through the program, and if the program is maintaining accurate records on both active and cancelled apprentices.

**Findings:**

- It was determined during the audit that the program's active apprentice list was not up to date with DAS records. Many of the allegedly active apprentices are no longer working in the trade and are no longer active apprentices in the program.
- The audit disclosed that the program is using the Apprentice Agreement (DAS-1) as a standard application for both apprentices and journeymen with the result of journeymen wrongfully registered with DAS as apprentices.
- The program fails to verify full employment of all active apprentices before indenturing further apprentice applicants.

**Recommendation:**

- Keep records of all active apprentices and update their records whenever there are new apprentice indentures, cancellations or completions.
- Work with the DAS consultant to synchronize the program's files with the DAS files.
- Develop a system to ensure that DAS is immediately notified of all new apprentice indentures, cancellations or completions and confirm that this information is actually received and entered into DAS files - Due within 60 Days.
- Immediately stop using the Apprentice Agreement (DAS-1) as an employment application for journeymen.
- Make every effort to keep the active apprentices employed in a reasonably continuous manner prior to indenturing more apprentice applicants.
- Insure adequate journeymen to apprentice ratios - Due within 30 Days.

*Section 205 (a)(1)(2) (i), 212 (a)(6) (7)(8), (b)(9), (c)(2)(10) 224 of the California Code of Regulations states that the program sponsor must maintain accurate apprenticeship records and submit changes, updates and revisions of an apprentice's status when necessary.*

### 4. ON-THE-JOB TRAINING (OJT):

**Objective:** To determine if apprentices are progressing on schedule, that the program is maintaining adequate OJT records, and to determine if the program has an adequate system in place to ensure that apprentices are covering all the work processes.

**Findings:**

- Prior to June 2006 the program had no system to keep track of the apprentice's OJT hours, RSI hours or the completion of the required work processes.
- After June 2006, the program attempted to start keeping records of the OJT hours, RSI hours and the completion of the required work processes.
- The current process remains inadequate to collect and track records of OJT hours to verify advancement.
- No system was in place to ensure rotation of apprentices and to ensure the completion of the required work processes.

**Recommendation:**

- Develop and implement a record keeping system, which allows the apprentice to record OJT hours worked and specify the hours worked in each specific work process - Due within 60 Days.
- Provide training and instruction to the apprentices on how to properly record OJT hours and work processes - Due within 60 Days.
- Keep a record of the OJT hours in each apprentice file.
- Develop a mechanism to track and/or identify apprentices who have not submitted timely OJT hours - Due within 60 Days.
- Establish Rules & Regulations to insure apprentice compliance.
- Immediately update records on all active apprentices to ensure that they are receiving proper training and supervision in all required work processes.
- Evaluate current apprentices to attempt to credit and document completed work processes - Due within 30 Days.

*Section XVII of the program's standards, and Section 3073.1, 3076, 3078(e) of the Labor Code, and Sections 210, 212(a) (4), (b) (9), (c) (2) (16) (18), of the California Code of Regulations. The program must offer training and supervision in all the work processes defined in its standards and has a system to ensure that apprentices cover all the work processes. The program must have a system of documenting and maintaining records that will assist in the review and evaluation of the apprentice's progress in job performance.*

**5. RELATED AND SUPPLEMENTAL INSTRUCTION (RSI):**

**Objective:** To determine if apprentices are progressing on schedule, attending classes, covering the entire course of study, and ensure that programs are maintaining accurate records with adequate systems in place to provide the training.

**Findings:**

- The program currently provides Related and Supplemental Instruction (RSI).
- The program has been operating without an Local Education Agency (LEA) and DAS could not determine for how long this has been the case.



- Given that there was no LEA the curriculum may not be current and needs to be reviewed by an approved LEA.
- The program has recently retained the services of a new LEA.
- The class attendance sign-in sheet is the only documentation indicating class attendance.
- According to DAS records for active apprentices (223) many are not attending classes as required by program (i.e. maximum class attendance of eleven active apprentices).
- Program appears to be lacking classroom supplies and adequate space for storage of training supplies and materials.

#### **Recommendation:**

- Curriculum needs to be up-dated to current industry standards and certified by the new LEA - Due within 90 Days.
- Develop a process to track apprentice RSI status and monitor data to timely identify apprentices' status and take appropriate action to insure attendance, credit RSI hours for advancement and charge discipline when needed - Due within 90 Days.
- Given the historical lack of an approved LEA, it is unclear as to how to give existing apprentices credit for any training they have received. Propose to DAS how we can work together to ensure that apprentices who have completed some training are treated fairly while this is resolved - Due within 30 Days.
- DAS must require detailed proof that all of the requirements for graduation have been met before approving graduations; until all recommendations are implemented and those apprentices who have not attained appropriate classroom and on the job training are identified and a plan is approved to resolve this issue, all completions' must be withheld.
- While not mandatory, it would be desirable to supply each apprentice with a quarterly status on actual vs. planned completion of both RSI and OJT hours.

*Section XVI of the program's standards, Section 3073.2, 3078(d), of the California Labor Code, and Section 205(e)(h), 212(a)(3)(6)(7) (c)(13)(14) of the California Code of Regulations states that it is recommended that the program provide a minimum of 144 hours per year of supplemental instruction for each year of apprenticeship and adequate arrangements for related and supplemental instruction, and have the ability and commitment to train apprentices with current industry standard criteria.*

#### **6. PROGRESS RECORDS, PERIODIC ADVANCEMENTS AND EVALUATIONS:**

**Objective:** To determine if apprentices advance on schedule, receive periodic evaluations and to ensure the programs have adequate records and systems in place to monitor progress and keep apprentices on schedule.

### **Findings:**

- There was little to no evidence of documentation for apprentice advancement/upgrades in the apprentice files.
- There was insufficient documentation supporting the committee's recommendations for advancement to journeyman status and the issuance of State completion certificates.
- The coordinator, at his own discretion, recommended to the apprenticeship committee apprentice advancement(s), cancellation(s) and completion(s). The committee meeting minutes were the only records documenting these requests.
- The program recently attempted to implement a record keeping system for individual apprentices to keep track of OJT, RSI and completion of specific work processes as required under the program's standards.

### **Recommendations:**

- Develop a method of tracking and documenting progression of the apprentice in the program(s). Establish a process to identify apprentices who are not progressing on schedule so that they can be counseled early and consistently throughout their training - Due within 60 Days.
- The Coordinator and committee must become proactive and ensure that program standards are being met. This involves visiting job sites and training facilities to evaluate the program(s) and determine if the classroom instruction compliments and enhances tasks learned and performed during on-the-job training - Due within 30 Days.
- The apprenticeship committee members should be provided records for each individual apprentice before approving/denying recommendations for upgrades, cancellations and completions - Due within 30 Days.
- As discussed in #5 above, DAS cannot approve any further completions without detailed proof until issues #5 and #6 are fully resolved. Propose to DAS how we can work together to ensure that apprentices who have completed some training are treated fairly while this is resolved - Due within 90 Days.
- While not mandatory, it would be desirable to supply each apprentice with a quarterly status on actual vs. planned completion of both RSI and OJT hours report card.

*Section 208, 212 (a) (5) (7) (8), (b) (9), (c) (6) (8) (9) of the California Code of Regulations. The program(s) must have a procedure for recording and maintaining accurate records, and a procedure for periodic review and evaluation of progress.*

## **7. MECHANISM TO KEEP APPRENTICES REASONABLY EMPLOYED:**

**Objective:** To determine if apprentices are kept reasonably employed, and to ensure the program has an adequate system in place to rotate apprentices so they may cover all the work processes, and to provide apprentices with continuing employment in the event of layoff.

**Findings:**

- The apprenticeship program does not have a system of keeping apprentices reasonably employed through a job referral system.
- There was no documentation or communication between coordinator, committee and the apprentice on the status of employment.
- The program appears to have too many apprentices registered in the program to keep employed for industry needs.
- DAS made two requests for review of information regarding journeymen to apprentices' ratio that were not provided.

**Recommendation:**

- Provide documentation to DAS that adequate journeymen are available to provide supervision to the number of active apprentices. Until this proof is satisfactorily provided and reviewed and other deficiencies corrected, DAS will not approve the indenture of additional apprentice's - Due within 30 Days.
- Develop a system of tracking the programs' performance in keeping apprentices reasonably employed - Due within 60 Days.
- Cancel all non-active apprentices - Due within 30 Days.
- Establish regular jobsite visits to develop employment opportunities - Due within 60 Days.

*Section 3080 of the Labor Code, and Section 212 (b) (7) (9), (c) (16) (18) of the California Code of Regulations. The program(s) must have a mechanism to keep apprentices reasonably employed and maintain accurate documentation Section 3080 of the Labor Code, and Section 212 (b) (7) (9), (c) (16) (18) of the California Code of Regulations.*

**8. TRAINING CENTER:**

**Objective:** To ensure the programs have adequate facilities, tools, materials and equipment to train apprentices, and to determine if the facilities are utilized and adequate for training.

**Findings:**

- The program training facility appears to be inadequate to accommodate all of the active apprentices.
- Observation of training facility did not find adequate teaching materials, tools and supplies to train apprentices properly.

**Recommendation:**

- Obtain suitable training capacity for the number of current apprentices. DAS cannot approve the indenture of additional apprentices until this issue is fully resolved. Schedule a field visit with the DAS consultant once facilities and equipment have been obtained so that this program restriction can be removed - Due within 30 Days.
- Provide the program with adequate training supplies and storage - Due within 30 Days.
- Program needs to focus on continual improvement of the training facilities.

9. **JOB SITE VISIT:**

**Objective:** The job site visit offers an opportunity to view a job in progress, observe the work that is being done, and provides the opportunity to discuss the operation of the program with the apprentice. It enables direct contact with the apprentice to determine: 1) if the apprentice is performing the various tasks listed within the work processes of their trade; 2) if advancements are made on schedule; 3) if the apprentice is receiving the correct pay and benefits; 4) if the apprentice is kept employed on a reasonably continuous basis and 5) if the programs' mechanism to keep apprentices reasonably employed is adequate.

**Findings:**

Auditor visited four jobsites and only found two apprentices working on one jobsite. Both of the apprentices were interviewed with the following results:

- Adequate tools and materials were available at the work site to train the apprentices.
- There was a proper ratio of Journeymen to Apprentices and adequate supervision.
- Apprentices performing tasks covered within the work processes.
- Apprentices reported that they do not attend school as required.
- Neither apprentice had current OJT records.

**Recommendation:**

- Develop a process to monitor job sites to ensure that apprentices are adequately employed and performing the work processes specified in the standards - Due within 90 Days.
- The program needs to ensure that the apprentices are recording their OJT hours and correctly tracking hours within the individual work processes. Develop a system to ensure that those apprentices who do not adequately report their OJT hours are identified and that appropriate action is taken on a consistent basis - Due within 30 Days.

*Section 208, 212(a) (1) (2) (4), (b) (4) (5) (6), (c) (6) (13) (14) of the California Code of Regulations states that all on-the-job training will be performed by journeymen, that all related and supplemental instruction required by the apprenticeship standards will be provided, that all work processes in the apprenticeship standards are being covered, and that graduates have completed the apprenticeship program's requirements.*

10. **SELF-ASSESSMENT REVIEW AND PROGRAM IMPROVEMENT PLAN:**

**Objective:** To determine if the programs have submitted the annual Self-Assessment Review and Program Improvement Plan due December 31, 2006.

**Findings:**

- The program submitted the required annual Self-Assessment Review and Program Improvement Plan on December 1, 2006.

**Recommendation:**

- Program Sponsor to review assessment and make program changes accordingly.

*Section 212 (a) (6) (7), (c) (2) (11), 212.3 of the California Code of Regulations states that the program sponsor must submit annually a Self-Assessment Review and Program Improvement Plan.*

11. **COMMITTEE MEETINGS AND MINUTES OF MEETINGS:**

**Objective:** To determine if the apprenticeship committee(s) are meeting regularly, documenting actions, discussing and reviewing apprentice records, and making appropriate assessments and evaluations.

**Findings:**

- The committee provided the JATC meeting minutes for the past year.
- Committee JATC meetings appear to be dominated by one committee member. As reported earlier, not all committee positions are filled.
- Committee approves motions but actions take several months to take place.
- There is no rotation of officers within the committee.
- The committee has little information regarding the apprentices' records.

**Recommendation:**

- Program should establish a full committee, consisting of three representatives from labor, three from management and required advisors - Due within 30 Days.
- Creation of a budget and financial plan to fund the program - Due within 30 Days.
- Establish a full time staff/management team given the large number of active apprentices - Due within 60 Days.
- Additional committee meetings should be held until the program meets the requirements of their own standards - Due within 30 Days.

*Section 3076, 3080(b), 3078(d)(f), 3079, 3093(k), of the California Labor Code, and Section 213, 218, 212(7), 208(5), 205(e)(f)(g)(i), 212(c)(1)(6) (9), 224 of the California Code of Regulations states that the program sponsor must maintain adequate documentation and records.*

## COMMENTS FROM PROGRAM SPONSOR

Comments, if submitted by the program sponsor during the 14-day review and comment period, will be included with this report to the Chief of DAS and ultimately to the California Apprenticeship Council. *No comments received within the 14-day period. Program received draft copy on 4/30/2007.*

## CORRECTIONS AND TIMELINE

The audit findings and recommendations are set forth in this report. The program has 14 days from the receipt of this report to review and submit comments on the report.

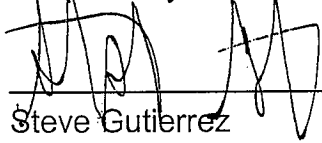
Within 10-days following the receipt of comments or the completion of the comment period, a final report will be submitted by the Chief of DAS to the California Apprenticeship Council.

The final report will detail the findings with recommendations for remedial actions. The programs must remedy all deficiencies and be in full compliance with their apprenticeship standards. The programs must notify the DAS in writing when deficiencies have been remedied. A DAS representative will schedule an appointment to review the completion of the remedial actions. Failure to comply may be grounds for withdrawing state approval of the apprenticeship programs.

## REMARKS

The results of this audit do not modify, replace or negate other duties and requirements or any previous notices you may have received regarding the fulfilling of your obligations prior to or after the audit period. In addition, law changes or new rulings might result in different findings in future audits.

Respectfully submitted by,

  
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Steve Gutierrez  
Apprenticeship Consultant  
DAS, Sacramento

5-16-07  
Date

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